

A ROADMAP TO **Recovery**

Reforming San Diego City Government

Commitment 3: Back to Basics ... Clean and Safe Neighborhoods

City employees should receive a reliable retirement allowance that is no better and no worse than the average San Diego taxpayer – and city employees should pay a fair share of the costs of these benefits.

Our efforts to reorganize city government should not only be judged from a financial perspective, but also evaluated by the extent to which services to our neighborhoods are improved.

Simply pouring more money into the city's existing processes for delivering neighborhood services is inadequate. We must also fundamentally rethink what kinds of neighborhood services to provide, and how to provide them.



By focusing limited financial resources on core neighborhood services – Response Times, Roads, and Recreation – our office believes that the City can succeed under this criteria. The Roadmap to Recovery emphasizes front-line neighborhood services such as Police, Fire, branch Libraries, Neighborhood Code Compliance, and Park and Recreation Programs.

An example of applying a fresh approach to service delivery can be found in the City's library system: technological advancements provide opportunities to redefine how library services are provided.

While we believe in providing a strong system of branch libraries, we also see opportunities to expand the use of technology at each branch to improve service and enhance the role of branch libraries in our communities.

Similarly the work done by the Fire Department has changed significantly in the past 25 years – with far more emphasis on a daily basis on emergency medical calls vs. fire calls. As a result, our office sees a need to evaluate our current service delivery model to determine if more efficient ways of deploying a mix of resources dedicated to daily fire calls versus daily emergency medical calls exist.

Thoughtfully examining our current service models with a willingness to consider new ideas may allow the City to improve core service delivery, but it requires that the assumption that "the way it's always been done" be set aside in the city bureaucracy.

FY 2012 Changes

Reform 3.1: Restore 3 Priority Fire Stations that Have Been Brownd Out

As an immediate measure the Roadmap to Recovery proposes to increase Fire Department funding by \$3 million for FY 2012. During a presentation to the City Council's Public Safety and Neighborhood Services Committee (PS&NS) on April 7, 2010, the Fire Chief indicated that he had a significant concern with several areas that he felt were particularly "underserved." The Chief elaborated that, "If I could get three [reinstated units], I would put them in those communities where I am really having a hard time now." The Chief identified Rancho Penasquitos, Mira Mesa, Pacific Beach and University City as having the greatest need.

Instead of restoring fire engines, it is possible that a more cost-effective use of the \$3 million would be to use this funding to deploy an ambulance at these stations. (For a more expansive explanation on the importance of ambulance services, please see Reform 3.5 in this section.)

Departmental Budget	Line Item	FTE Impact	General Fund Savings
Fire Department	Emergency staffing to restore browned-out fire stations	NA	-\$3,000,000

Reform 3.2 Utilize Marketing Partnership Revenues to Safeguard Lifeguard Services

Earlier this year, my office released a white paper entitled "Generating Revenue by Expanding the City's Marketing Partnerships," which extensively covered the revenues available to the City from expanding its efforts with marketing partnerships and strategic, off-site advertising.

Based on the findings of this report and discussions at the Budget and Finance Committee, we believe an additional \$1 million in revenue can be raised for FY 2012 by expanding the City's strategic and marketing partnerships. The initial expansion of the Marketing Partnerships that is currently being considered would take place at the City's beach areas. In light of this, we believe that the expanded Marketing/Strategic Partnership revenues generated in FY 2012 should be allocated to protecting cuts to lifeguard services in those beach areas.

Departmental Budget	Line Item	FTE Impact	General Fund Savings
Strategic Partnership Revenue	Expanded Partnerships	NA	\$1,000,000

Reform 3.3 Temporarily Reduce Funding for Non-Core Programs – To Safeguard Core Neighborhood Services

In the middle of a financial crisis, the City must make tough decisions and prioritize. The city has several programs that are worthy, but not core services. As such, until cost savings related to many of the long-term reforms in this Roadmap to Recovery can be implemented, some temporary suspensions of funding and programs will be necessary...particularly if core neighborhood services such as police and fire are to be maintained.

Reduction in Arts and Culture

The City of San Diego Commission for Arts and Culture is responsible for making all recommendations pertaining to arts and culture for City funding through its two significant allocation programs. The two allocation programs, Organizational Support Program (OSP) and Creative Communities San Diego (CCSD), support 111 non-profit organizations. The Fiscal Year 2011 Annual Budget includes \$6.2 million for the OSP and CCSD, \$832,680 for Arts and Culture Program Administration, and \$220,000 for Mayor/Council Allocations.

Departmental Budget	Line Item	FTE Impact	General Fund Savings
Special Promotional Programs	Reduction of 25% in City Arts and Culture Grants	NA	\$1,509,145
Arts and Culture Commission Staffing	Reduction of staff to one Executive Director and Administrative Aide 2	-4	\$330,017

Funding for these programs comes from the Transient Occupancy Tax (TOT), a tax levied on individuals who stay overnight in the city's hotels, motels and other lodging establishments. Municipal Code Sections 35.0128 – 35.0133 and Council Policy 100-03 govern the use of these taxes to promote the city, including support for San Diego's arts and culture programs and services.

Importantly, Municipal Code Section 35.0128 Subsection A that states:

"Two-thirds (2/3) of all revenues collected by the City and remaining after payment of one-sixth (1/6) of the costs incurred in the administration of Chapter 3, Article 5, Division 1 shall be deposited in the Transient Occupancy Tax Fund and used solely for the purpose of promoting the City. **However, if the City Manager determines that anticipated revenues in any fiscal year will be insufficient to maintain existing City**

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Services, the City Manager may ask the City Council to temporarily suspend compliance with this subsection (a) for the upcoming fiscal year. A majority vote of the City Council can temporarily suspend compliance with this subsection (a) for that fiscal year. "

Given the City's \$72 million budget deficit and the public's clear concern over public safety cuts, we believe that the necessary determination can be made by the Mayor and City Council.

As a result, we propose a 25% reduction to city Arts and Culture grants (\$6.2 million) and the reorganization of the administration of this grant program.

However, our office proposes that the current approach is reformed to focus on fewer, but larger awards that are geared toward attaining specific outcomes rather than spreading out a larger quantity of smaller fund amounts. This would resemble the model utilized by the City's Tourism Marketing District (TMD) and the process awarding Community Development Block Grants.

Finally, as the City moves forward in revamping its Arts & Culture award process, the current staffing model should be examined for potential efficiencies as well. IF CBDG and TMD grants can be given out with fewer staff, so should Arts and Culture funding.

Recognizing that these proposed reductions to the non-profit organizations can be difficult, the City's immediate financial situation necessitates these cuts. As additional structural reforms are implemented, the City may be able to consider restoring some of this funding.

Alternate funding may be available to these organizations using the CDBG and TMD process.

Reduction of Storm Water

We recommend a consideration of a reduction to the Storm Water Department for FY 2012. While the issue of reducing contract authorizations for the Storm Water Department has been discussed at some length at the Natural Resources & Culture Committee, we attribute Storm Water Budget cuts in part to ongoing efforts by the City and other "co-permittees" of the municipal storm water permit to receive compensation from the State for unfunded mandates.

(A full report on this issue is provided as an appendix to this report.)

Departmental Budget	Line Item	FTE Impact	General Fund Savings
Storm Water	Department Budget	TBD	TBD

Reform 3.4 Complete Performance Audit of San Diego Medical Services Enterprise

Emergency Medical Services in the City of San Diego are provided through a partnership of the City's Fire-Rescue Department and San Diego Medical Services Enterprise (SDMSE). SDMSE provides ambulance services for the City of San Diego and in return has the authority to charge individual users for their service. As SDMSE is able to recover full costs through user chargers, ambulance services are provided without subsidization from the City.

We also strongly support a comprehensive performance audit of the SDMSE function of the city to ensure that proper management and financial gain-sharing is occurring under our partnership with Rural-Metro. This performance audit may provide recommendations on ways taxpayers can achieve greater cost savings and financial benefits from this partnership. The Mayor and City Council should be ready to aggressively implement recommendations from the performance audit upon its completion.

Reform 3.5 Form Task Force on Public Safety Service Delivery and Staffing Optimization

The Mayor and City Council should form a task force comprised of outside experts to critically and comprehensively look at the current staffing models and service process utilized in the Fire/Rescue Department and the Police Department.

For example, cities and counties across the country have addressed the ramifications of rising EMS demand by reducing use of fire engines for EMS and shifting additional resources to dedicated EMS provision, by utilizing the practice of priority dispatching, increasing their and EMS vehicle fleet diversification.

The purpose of the task force would be examine the following questions:

Could the City of San Diego increase response times and achieve cost efficiencies by expanding the use of ambulances versus fire trucks for responses to EMS calls?

Could the City of San Diego make greater use of priority dispatching and utilizing other kinds of vehicles for responses?

Could the City of San Diego benefit from creating cross-trained Public Safety Officers, perhaps starting with targeted areas such as downtown or the beach communities?

The Task Force we recommend creating should be comprised of independent, outside experts that can offer a fresh perspective on these and other options for improving public safety services in the city. Some of the issues we recommend exploring further are discussed below.

Ambulances vs. Fire Trucks and Deployment Models (Fighting Fires vs. Medical Emergencies)

Between FY 1980 and FY 2005, the number of **emergency medical incidents reported** to the City exhibited a four-fold increase. During the same period, the **number of fires reported** to the City actually decreased¹.

Between FY 2006 and FY 2009, the City Fire-Rescue Department responded to an average of 3,802 calls for fire per year, compared to 89,896 for EMS². This means during this period, the Fire-Rescue Department handled 23.64 EMS calls for every fire.

In FY 2010, 85.64% of calls handled by the City's Fire-Rescue Department were for EMS, while the remaining 14.36% consisted of fires and other types of calls³.

Basic Life Support (BLS) care, provided by Emergency Medical Technicians (EMT's), is basic medical care and transport of non-critical medical patients. Advanced Life Support (ALS) care, provided by Paramedics, is the level of medical care and transport necessary for more critical patients. Both Fire-Rescue fire engines and SDMSE ambulances provide BLS and ALS care, however only SDMSE ambulances can provide for medical transport.

County of San Diego Emergency Medical Services Treatment Protocols/Policies, Section P-801, requires that the City respond to all ALS incidents with a minimum of two paramedics. However, because the city has adopted a policy that all City Fire-Rescue engines are staffed with three EMT's and one paramedic, while SDMSE ambulances are staffed with one EMT and one paramedic,⁴ the City dispatches both a fire engine and ambulance to all ALS incidents.

As a result of this service-delivery model and staffing structure, the city sends four EMS personnel to all incidents, thus making those resources unavailable for all other calls. In contrast, a system primarily dependent upon ambulances (rather than fire trucks and ambulances), could send two or four EMS personnel to a call depending on severity, thus providing the potential for two EMS personnel to remain available for other, perhaps more critical, incidents.

The need for a thoughtful review of current fire engine staffing is not a trivial issue. Under the City's current Memorandum of Understanding (MOU) with its firefighters, the cost of maintaining a level of staffing above that which is legally required by the County is significant.

To maintain the minimum legally required staffing (under the current cost structure), the City would need to pay only the sum of the four firefighters' base salaries plus a premium of 8.5% of base pay to one EMT (omitting overtime and other considerations). To maintain its current staffing levels, the City must pay the sum of the four firefighters' base salaries plus an 8.5% premium to three EMT's and a 13.5% premium to one paramedic (again omitting overtime and

¹ City of San Diego, Fire-Rescue Department, Annual Report 2005

² City of San Diego, FY 2010 Budget

³ City of San Diego, Office of the Independent Budget Analyst, Proposed Minimum Staffing for Fire Engines and Fire Trucks Council Policy

⁴ City of San Diego, City Council Report 08-077, May 9, 2008

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other considerations). Thus, approximately speaking⁵, the current EMS delivery method increases engine-staffing costs by 7.5%.

Public Safety Cross-Training

Cross-training public safety officers allows them to meet multiple public safety needs. Some cities have created positions – and in some cases entire departments – that use staff with policing, fire fighting and EMS capabilities. Citywide deployment of cross-trained public safety officers may not be cost-efficient, however several communities may find this model advantageous during specific time periods or for specific kinds of response calls. For example, it is our understanding that a significant number of calls relate to homeless individuals downtown – creating a potential opportunity for cost savings reforms through alternative service delivery models.

Reform City Special Event Permitting

San Diego is home to numerous special events – many of which require police and fire staffing charged at discouragingly high rates. To reduce costs and strain on resources in the police and fire departments for special event staffing, the City should consider models used in San Jose to provide more cost certainty to event organizers. We discuss this issues in detail in our report, “Open for Business: Action Plan to Make San Diego the Most Friendly City in American for Small Business.”⁶

Reform 3.6 Cancel New City Hall Project – Lock In Affordable Lease Rates

We have adamantly opposed building a new City Hall in the middle of a financial crisis, particularly given the opportunities available in the local commercial real estate market. We have advocated for attempting to lock-in lower lease rates for city office space during the market downturn, but also think other alternatives should be explored.

These alternatives include:

Link the discussion of city office space needs with efforts to shrink the size of the city's workforce through restructuring and managed competition.

Rather than adding costs to the City's budget for repairing the existing City Administration Building, the City should explore cost savings available moving city operations into three or four locations around the city. The city should be taking advantage of historically low lease and purchase rates by locking in cost savings today for long-term benefit.

This model would consolidate city staff into four locations organized around 3-4 business lines.

- Economic Development and Support Services: Planning, Development Services, Office of Small Business
- Public safety and Neighborhood Services: Parks, Libraries, Recreation, Police, Fire, etc.
- Infrastructure and Utilities: Streets, General Services, Water, Wastewater, etc.

To contribute to neighborhood revitalization and achieve cost efficiencies on office space and parking, we propose selecting a distressed community for at least one of these 3-4 functions.

Tap technology to integrate city staff – using Skype, teleconferencing and other technologies, city staff can be distributed into 3 or 4 locations easily without impacting performance and communication capability.

Any savings achieved from this plan for securing more cost-effective office space should be used to provide neighborhood services

⁵ Actual difference may vary depending on the relative base salaries of the firefighters, this calculation assumes that all firefighters receive the same base pay.
⁶ See <http://www.sandiego.gov/citycouncil/cd5/news/index.shtml>

Long-Term Changes

IN PROGRESS – ADDITIONAL REFORMS IN DEVELOPMENT

In addition to the issues discussed above, Councilmember DeMaio plans to explore:

- Expanded Maintenance Assessment Districts to Provide Enhanced Service with Local Control
- Ideas to Create the “Library System of the Future” – with an emphasis on expanded access to databases, electronic books, and partnerships with local schools
- Expanding public-private partnerships for parks and recreation programs
- Creation of a city-wide Community Volunteer Corps modeled after San Diego’s successful “Urban Corps” program